

- (f) THE INTERIM SETTLEMENT PER DIEM ALLOWANCE FOR UTILITIES (ACCOUNTS 6810 TO 6830), AS SPECIFIED IN RULE 5101:3-3-261 ("CHART OF ACCOUNTS FOR LONG-TERM CARE FACILITIES") OF THE ADMINISTRATIVE CODE, IS THE ACTUAL ALLOWABLE EXPENDITURES OF THAT FACILITY.
- (g) THE INTERIM SETTLEMENT PER DIEM ALLOWANCE FOR PAYROLL TAXES (ACCOUNTS 6750 AND 6760), AS SPECIFIED IN RULE 5101:3-3-261 ("CHART OF ACCOUNTS FOR LONG-TERM CARE FACILITIES") OF THE ADMINISTRATIVE CODE, IS THE ACTUAL ALLOWABLE EXPENDITURES OF THAT FACILITY. PAYROLL TAXES ARE THE EMPLOYER'S SHARE OF SOCIAL SECURITY AND PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS), WORKERS' COMPENSATION, AND UNEMPLOYMENT COMPENSATION.
- (h) THE INTERIM SETTLEMENT PER DIEM ALLOWANCE FOR PROPERTY TAXES (ACCOUNTS 6860 TO 6880), AS SPECIFIED IN RULE 5101:3-3-261 ("CHART OF ACCOUNTS FOR LONG-TERM CARE FACILITIES") OF THE ADMINISTRATIVE CODE, IS THE ACTUAL ALLOWABLE AMOUNT OF SUCH EXPENDITURES OF THAT FACILITY. TAXES ARE FOR THE IMPROVEMENT OF THE PHYSICAL PLANT AND THE NECESSARY LAND UPON WHICH THE PHYSICAL PLANT IS LOCATED.
- (i) FOR THE 1990 INTERIM SETTLEMENT CALCULATION, A ONE-TIME INCREASE EQUAL TO SIXTY-THREE CENTS PER INPATIENT/RESIDENT DAY SHALL BE ADDED TO THE MEDICAID RATE FOR SKILLED NURSING FACILITIES (SNFS) AND INTERMEDIATE CARE FACILITIES (ICFS) EFFECTIVE JULY 1, 1990 THROUGH SEPTEMBER 30, 1990 AND TO NURSING FACILITIES (NFS) EFFECTIVE OCTOBER 1, 1990 THROUGH DECEMBER 31, 1990.
- (j) FOR THE 1990 INTERIM SETTLEMENT, THE CEILING FOR PHYSICIAN SERVICES (ACCOUNT 6130) AS SPECIFIED IN RULE 5101:3-3-261 ("CHART OF ACCOUNTS FOR LONG-TERM CARE FACILITIES") OF THE ADMINISTRATIVE CODE, FOR SERVICES JANUARY 1, 1990 THROUGH SEPTEMBER 30, 1990 ARE BASED UPON AN ALLOWANCE OF TWENTY-FOUR DOLLARS A QUARTER FOR EVERY RESIDENT IDENTIFIED THROUGH THE RESIDENT REVIEW PROCESS AS REQUIRING SKILLED CARE, AND EIGHT DOLLARS A QUARTER FOR EVERY RESIDENT IDENTIFIED THROUGH THE RESIDENT REVIEW PROCESS AS REQUIRING INTERMEDIATE CARE. COST PER DIEM IS CALCULATED BY DIVIDING COSTS FOR SERVICES JANUARY 1, 1990 THROUGH SEPTEMBER 30, 1990 BY THE INPATIENT/RESIDENT DAYS ASSOCIATED WITH THE SAME TIME FRAME.

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supercedes 92-06 Date App'd JUN 23 1993  
State Rep. In H Date Eff. 10-1-93

~~TNS # 92-06 APPROVAL DATE 11-10-92~~  
~~SUPERSEDES~~  
~~TNS # 92-06 EFFECTIVE DATE 11-10-92~~

5101:3-3-172  
PAGE 5 OF 17

(2) THE ALLOWABLE PER DIEM COST FOR THE ADMINISTRATIVE AND GENERAL SERVICES COST CENTER IS DETERMINED BY DIVIDING ALLOWABLE COSTS BY THE TOTAL INPATIENT/RESIDENT DAYS, OR BY EIGHTY-FIVE PER CENT OF THE TOTAL LICENSED (IF APPLICABLE) AND MEDICAID-CERTIFIED BED DAYS, WHICHEVER IS GREATER.

(a) THE CEILING FOR ADMINISTRATIVE AND GENERAL SERVICES EXPENSES SHALL BE CALCULATED UP TO THE CEILINGS SPECIFIED IN PARAGRAPHS (B)(2)(b) AND (B)(2)(c) OF THIS RULE FOR EACH LTCF, PLUS (IF APPLICABLE) AN EFFICIENCY INCENTIVE. THE EFFICIENCY INCENTIVE IS NOT ADDED TO THE CEILINGS CALCULATED IN PARAGRAPHS (B)(2)(b) AND (B)(2)(c) OF THIS RULE.

(b) FOR THE 1990 INTERIM SETTLEMENT CALCULATION THE ADMINISTRATIVE AND GENERAL SERVICES CEILING, FOR PROVIDERS ON THE PROGRAM THE ENTIRE CALENDAR YEAR, SHALL BE:

(i) FOR NURSING FACILITIES THE CEILING IS FOURTEEN DOLLARS AND FIFTEEN CENTS PER INPATIENT/RESIDENT DAY; OR

(ii) FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED THE CEILING IS TWENTY-THREE DOLLARS AND FIFTY-SEVEN CENTS PER INPATIENT/RESIDENT DAY; AND

(iii) THE MAXIMUM EFFICIENCY INCENTIVE AN LTCF MAY EARN FOR THE 1990 INTERIM SETTLEMENT CALCULATION IS TWO DOLLARS AND FIFTY-EIGHT CENTS PER INPATIENT/RESIDENT DAY.

(iv) LTCFS ON THE PROGRAM LESS THAN THE ENTIRE CALENDAR YEAR WILL RECEIVE A WEIGHTED AVERAGE OF THE TWO CEILINGS IN EFFECT FOR THE CALENDAR YEAR. THE EFFICIENCY INCENTIVE SHALL BE WEIGHTED IN THE SAME MANNER.

(c) FOR THE JULY 1, 1991 THROUGH DECEMBER 31, 1991 INTERIM SETTLEMENT CALCULATION THE ADMINISTRATIVE AND GENERAL SERVICES CEILING SHALL BE:

(i) FOR NURSING FACILITIES THE CEILING IS SIXTEEN DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY; OR

(ii) FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED THE CEILING IS TWENTY-SEVEN DOLLARS AND FORTY-EIGHT CENTS PER INPATIENT/RESIDENT DAY

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Appr. JUN 23 1993  
State Rep. In 8 H Date Eff. 10-1-93

~~APPROVAL DATE 11-16-92~~  
~~SUPERCEDES~~  
~~TNS # 91-11 EFFECTIVE DATE 10-1-92~~

5101:3-3-172  
PAGE 6 OF 17

(iii) THE MAXIMUM EFFICIENCY INCENTIVE AN LTCF MAY EARN FOR THE 1991 INTERIM SETTLEMENT CALCULATION IS TWO DOLLARS AND SIXTY-FIVE CENTS PER INPATIENT/RESIDENT DAY.

(3) THE ALLOWABLE PER DIEM COSTS AS SET FORTH IN RULE 5101:3-3-22 ("COST OF PROPERTY AND EQUIPMENT") OF THE ADMINISTRATIVE CODE FOR THE PROPERTY, RENOVATIONS, AND EQUITY COST CENTER ARE DETERMINED AS FOLLOWS: THE PER DIEMS FOR PROPERTY COSTS AND RENOVATIONS ARE DETERMINED BY DIVIDING ALLOWABLE COSTS FOR THESE CATEGORIES BY THE TOTAL INPATIENT/RESIDENT DAYS, OR BY NINETY-FIVE PER CENT OF TOTAL LICENSED (IF APPLICABLE) AND MEDICAID-CERTIFIED BED DAYS, WHICHEVER IS GREATER. THE PER DIEM FOR RETURN ON NET EQUITY IS CALCULATED BY DIVIDING THE AVERAGE MONTHLY EQUITY, WHICH IS MULTIPLIED BY THE RATE OF RETURN, BY THE TOTAL INPATIENT/RESIDENT DAYS, OR BY NINETY-FIVE PER CENT OF TOTAL LICENSED (IF APPLICABLE) AND MEDICAID-CERTIFIED BED DAYS, WHICHEVER IS GREATER.

(a) THE APPLICABLE PER DIEM CEILING FOR PROPERTY AND EQUIPMENT (EXCLUDING TAXES AND UTILITIES) IS DEFINED AS FOLLOWS:

(i) FACILITIES, INCLUDING BEDS WITHIN SUCH FACILITIES, CONSTRUCTED AND SUBSEQUENTLY ORIGINALLY LICENSED PRIOR TO JANUARY 1, 1958, PAYMENT SHALL NOT EXCEED TWO DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY;

(ii) FACILITIES, INCLUDING BEDS WITHIN SUCH FACILITIES, CONSTRUCTED AND SUBSEQUENTLY ORIGINALLY LICENSED AFTER DECEMBER 31, 1957, BUT PRIOR TO JANUARY 1, 1968, PAYMENT SHALL NOT EXCEED:

(a) THREE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS THREE THOUSAND FIVE HUNDRED DOLLARS OR MORE PER BED;

(b) TWO DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS LESS THAN THREE THOUSAND FIVE HUNDRED DOLLARS PER BED.

(iii) FACILITIES, INCLUDING BEDS WITHIN SUCH FACILITIES, CONSTRUCTED AND SUBSEQUENTLY ORIGINALLY LICENSED AFTER DECEMBER 31, 1967, BUT PRIOR TO JANUARY 1, 1976, PAYMENT SHALL NOT EXCEED:

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Appr. JUN 23 1993  
State GA Date 10-1-93

~~TNS # 4206 APPROVAL DATE 1-10-92~~  
~~SUPERSEDES~~  
~~TNS # 4206 EFFECTIVE DATE 10-1-93~~

- (a) FOUR DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS OR MORE PER BED;
- (b) THREE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS LESS THAN FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS PER BED, BUT EXCEEDS THREE THOUSAND FIVE HUNDRED DOLLARS PER BED;
- (c) TWO DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS THREE THOUSAND FIVE HUNDRED DOLLARS OR LESS PER BED.
- (iv) FACILITIES, INCLUDING BEDS WITHIN SUCH FACILITIES, CONSTRUCTED AND SUBSEQUENTLY ORIGINALLY LICENSED AFTER DECEMBER 31, 1975, BUT PRIOR TO JANUARY 1, 1979, PAYMENT SHALL NOT EXCEED:
- (a) FIVE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS SIX THOUSAND EIGHT HUNDRED DOLLARS OR MORE PER BED;
- (b) FOUR DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS LESS THAN SIX THOUSAND EIGHT HUNDRED DOLLARS PER BED BUT EXCEEDS FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS PER BED;
- (c) THREE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS OR LESS PER BED, BUT EXCEEDS THREE THOUSAND FIVE HUNDRED DOLLARS PER BED;
- (d) TWO DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS THREE THOUSAND FIVE HUNDRED DOLLARS OR LESS PER BED.
- (v) FACILITIES, INCLUDING BEDS WITHIN SUCH FACILITIES, CONSTRUCTED AND SUBSEQUENTLY ORIGINALLY LICENSED AFTER DECEMBER 31, 1978, BUT PRIOR TO JANUARY 1, 1981, PAYMENT SHALL NOT EXCEED:

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Appr. JUN 23 1993  
State Rep. In JH Date Eff. 10-1-93

~~TNS # 92-06 APPROVAL DATE 11-16-92~~  
~~SUPERSEDES~~  
~~TNS # 92-06 EFFECTIVE DATE 11-16-92~~

- (a) SIX DOLLARS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS SEVEN THOUSAND SIX HUNDRED TWENTY-FIVE DOLLARS OR MORE PER BED;
- (b) FIVE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION IS LESS THAN SEVEN THOUSAND SIX HUNDRED TWENTY-FIVE DOLLARS PER BED BUT EXCEEDS SIX THOUSAND EIGHT HUNDRED DOLLARS PER BED;
- (c) FOUR DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS SIX THOUSAND EIGHT HUNDRED DOLLARS OR LESS PER BED BUT EXCEEDS FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS PER BED;
- (d) THREE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS OR LESS BUT EXCEEDS THREE THOUSAND FIVE HUNDRED DOLLARS PER BED;
- (e) TWO DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS THREE THOUSAND FIVE HUNDRED DOLLARS OR LESS PER BED.
- (vi) FACILITIES, INCLUDING BEDS WITHIN SUCH FACILITIES, CONSTRUCTED AND SUBSEQUENTLY ORIGINALLY LICENSED AFTER DECEMBER 31, 1980, IF THE COST OF CONSTRUCTION WAS SEVEN THOUSAND SIX HUNDRED TWENTY-FIVE DOLLARS OR MORE PER BED, PAYMENT SHALL NOT EXCEED SIX DOLLARS PER INPATIENT/RESIDENT DAY, ADJUSTED FOR FLUCTUATIONS IN CONSTRUCTION COSTS IN ACCORDANCE WITH PARAGRAPH (B)(3)(d) OF THIS RULE. THE CEILING ESTABLISHED FOR A PARTICULAR YEAR IS NOT SUBJECT TO FURTHER ADJUSTMENT IN SUBSEQUENT YEARS.
- (vii) FACILITIES, INCLUDING BEDS WITHIN SUCH FACILITIES, CONSTRUCTED AND SUBSEQUENTLY ORIGINALLY LICENSED AFTER DECEMBER 31, 1980, IF THE COST OF CONSTRUCTION WAS LESS THAN SEVEN THOUSAND SIX HUNDRED TWENTY-FIVE DOLLARS PER BED, PAYMENT SHALL NOT EXCEED:

(a) FIVE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION EXCEEDS SIX THOUSAND EIGHT HUNDRED DOLLARS PER BED;

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Appr. JUN 23 1993  
State Rep. In 8/17 Date Eff. 10-1-93

~~TNS # 92-06 APPROVAL DATE 6-92  
SUPERSEDES  
TNS # 92-06 EFFECTIVE DATE 10-1-92~~

- (b) FOUR DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS SIX THOUSAND EIGHT HUNDRED DOLLARS OR LESS PER BED BUT EXCEEDS FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS PER BED;
- (c) THREE DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS FIVE THOUSAND ONE HUNDRED FIFTY DOLLARS OR LESS BUT EXCEEDS THREE THOUSAND FIVE HUNDRED DOLLARS PER BED;
- (d) TWO DOLLARS AND FIFTY CENTS PER INPATIENT/RESIDENT DAY IF THE COST OF CONSTRUCTION WAS THREE THOUSAND FIVE HUNDRED DOLLARS OR LESS PER BED.
- (viii) FACILITIES ORIGINALLY LICENSED AS ICFS-MR/DD BY THE OHIO DEPARTMENT OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES (ODMR-DD) AND SUBSEQUENTLY CERTIFIED BY THE OHIO DEPARTMENT OF HEALTH (ODH) ON OR AFTER JANUARY 1, 1980, PAYMENT SHALL NOT EXCEED TWELVE DOLLARS PER INPATIENT/RESIDENT DAY ADJUSTED FOR FLUCTUATIONS IN CONSTRUCTION COSTS IN ACCORDANCE WITH PARAGRAPH (B)(3)(d) OF THIS RULE. THE CEILING ESTABLISHED FOR A PARTICULAR YEAR IS NOT SUBJECT TO FURTHER ADJUSTMENT IN SUBSEQUENT YEARS.
- (ix) THE EFFICIENCY INCENTIVE FOR THE USE OF PROPERTY AND EQUIPMENT FOR THOSE FACILITIES ABLE TO MAINTAIN COSTS BELOW THE CEILING IS EQUAL TO ONE-HALF THE DIFFERENCE BETWEEN THE DESK AUDITED AMOUNT REPORTED ON THE COST REPORT AND THE CEILING AS DEFINED IN PARAGRAPH (B)(3)(a) OF THIS RULE.
- (b) THE APPLICABLE PER DIEM CEILING FOR RENOVATIONS IS DEFINED AS FOLLOWS:
- (i) THE SIX-DOLLAR CEILING WILL BE ANNUALLY ADJUSTED TO TAKE INTO ACCOUNT FLUCTUATIONS IN CONSTRUCTION COSTS IN ACCORDANCE WITH PARAGRAPH (B)(3)(d) OF THIS RULE.
- (ii) FOR PURPOSES OF DETERMINING THE APPROPRIATE CEILING, THE YEAR A RENOVATION OCCURS IS THE FIRST YEAR THE COST OF RENOVATION IS COMPLETED.

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Appr. JUN 23 1993  
State Rep. In 817 Date Eff. 10-1-93

~~TNS # 92-06 APPROVAL DATE 11-12-92~~  
~~SUPERSEDES~~  
~~TNS # 91-11 EFFECTIVE DATE 10-1-92~~

5101:3-3-172  
PAGE 10 OF 17

- (c) LTCFS, INCLUDING BEDS WITHIN SUCH FACILITIES, WHICH COMPLETE EXTENSIVE RENOVATIONS AFTER AUGUST 1, 1987, AS DETERMINED IN PARAGRAPH (B)(3)(c)(ii) OF THIS RULE, WILL RECEIVE A PER DIEM ALLOWANCE BASED UPON REMODELING AND EQUIPMENT COSTS AS SPECIFIED IN PARAGRAPH (A) OF RULE 5101:3-3-22 ("COST OF PROPERTY AND EQUIPMENT") OF THE ADMINISTRATIVE CODE. THIS ALLOWANCE WILL REFLECT ACTUAL EXPENDITURES SUBJECT TO THE CURRENT COST OF OWNERSHIP CEILING ESTABLISHED FOR CONSTRUCTION PROJECTS.
- (i) AN "EXTENSIVELY RENOVATED FACILITY" IS DEFINED AS A FACILITY LICENSED PURSUANT TO SECTIONS 3721.02 AND 5123.19 OF THE REVISED CODE IF ALL OF THE FOLLOWING CRITERIA ARE MET:
- (a) THE FACILITY HAS INCURRED A CAPITAL EXPENDITURE OF SEVENTEEN THOUSAND DOLLARS PER BED FOR FACILITIES WITH ONE THROUGH ONE HUNDRED BEDS; FIFTEEN THOUSAND DOLLARS PER BED FOR FACILITIES WITH ONE HUNDRED ONE THROUGH ONE HUNDRED FORTY-NINE BEDS; AND THIRTEEN THOUSAND DOLLARS PER BED FOR FACILITIES WITH ONE HUNDRED FIFTY BEDS AND OVER, AND FOR RENOVATION COSTS WHICH EXCEED THE LIMIT ESTABLISHED UNDER DIVISION (B) OF SECTION 3702.52 OF THE REVISED CODE, BUT THE COST IS SIGNIFICANTLY LESS THAN THE COST OF REPLACEMENT; AND
- (b) IF THE CAPITAL EXPENDITURE IS REVIEWABLE UNDER CHAPTER 3702. OF THE REVISED CODE AND (ODH) HAS ISSUED A CERTIFICATE OF NEED APPROVING SUCH CAPITAL EXPENDITURE AND THE OHIO DEPARTMENT OF HUMAN SERVICES (ODHS) HAS APPROVED IN ADVANCE THE EXPENDITURE FOR PURPOSES OF PROPERTY OWNERSHIP REIMBURSEMENT, THE INCURRING OF SUCH EXPENDITURES ARE ELIGIBLE FOR PAYMENT PURSUANT TO PARAGRAPH (B)(3)(c) OF THIS RULE; AND
- (c) UNLESS OTHERWISE DETERMINED BY ODHS, THE CAPITAL EXPENDITURE RESULTS IN AN EXTENSIVELY RENOVATED FACILITY WHICH COMPLIES WITH ALL CURRENT STATE AND FEDERAL CERTIFICATION AND LICENSURE REQUIREMENTS.

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date App'd JUN 23 1993  
State Rep. In 8/1 Date Eff 10-1-93

~~TNS # 92-06 APPROVAL DATE 11-6-92~~  
~~SUPERSEDES~~  
~~TNS # 91-11 EFFECTIVE DATE 10-1-92~~

5101:3-3-172  
PAGE 11 OF 17

- (ii) AN EXTENSIVELY RENOVATED LTCF WHICH OBTAINS A NEW CEILING PURSUANT TO PARAGRAPHS (B)(3)(c)(i) AND (B)(3)(c)(ii) OF THIS RULE SHALL, FOR ALL PURPOSES OF PARAGRAPH (A) OF RULE 5101:3-3-22 ("COST OF PROPERTY AND EQUIPMENT") OF THE ADMINISTRATIVE CODE, BE CONSIDERED BUILT AND LICENSED ON THE DATE OF THE COMPLETION OF THE EXTENSIVE RENOVATION AND/OR REPLACEMENT, WITH COMPLETION DETERMINED IN CONJUNCTION WITH ODH CERTIFICATE OF NEED APPROVAL.
- (iii) ANY EXTENSIVELY RENOVATED FACILITY OBTAINING A NEW CEILING PURSUANT TO PARAGRAPH (B)(3)(c) OF THIS RULE SHALL NOT BE PERMITTED ANY ALLOWANCE FOR RENOVATIONS MADE PRIOR TO THIS PROJECT WHICH RESULTED IN THE NEW CEILING. THE UNDEPRECIATED PORTION OF RENOVATIONS MADE PRIOR TO THE EFFECTIVE DATE OF THE NEW CEILING SHALL BE INCLUDED IN THE COSTS OF THE RENOVATIONS FOR PURPOSES OF THE CALCULATION OF THE ALLOWANCES UNDER PARAGRAPH (A) OF RULE 5101:3-3-22 ("COST OF PROPERTY AND EQUIPMENT") OF THE ADMINISTRATIVE CODE.
- (iv) AN EXTENSIVELY RENOVATED FACILITY SHALL NOT BE PERMITTED TO RECEIVE ANY ALLOWANCE FOR RENOVATIONS AS PROVIDED UNDER PARAGRAPH (B)(9) OF RULE 5101:3-3-22 ("COST OF PROPERTY AND EQUIPMENT") OF THE ADMINISTRATIVE CODE, FOR A PERIOD OF FIVE YEARS, WITH THE EXCEPTION OF THOSE RENOVATIONS REQUIRED BY GOVERNMENT AGENCY CITATIONS IF THE LTCF RECEIVED A NEW CEILING PURSUANT TO PARAGRAPH (B)(3)(c).
- (d) AN ADJUSTMENT TO THE CEILING CONTAINED IN PARAGRAPHS (B)(3)(a)(vi), (B)(3)(a)(viii), (B)(3)(b), AND (B)(3)(c) OF THIS RULE WILL BE EQUAL TO THE PERCENTAGE CHANGE IN THE "DODGE BUILDING COST INDEX" FOR NORTHEASTERN AND NORTH CENTRAL STATES PUBLISHED BY "MCGRAW-HILL INFORMATION SYSTEMS COMPANY" BETWEEN:
- (i) THE YEAR IN WHICH THE RENOVATION OR CONSTRUCTION WAS COMPLETED; AND
- (ii) THE BASE YEAR OF 1980, EXCEPT THAT THE BASE YEAR FOR ADJUSTMENTS TO THE CEILINGS CONTAINED IN PARAGRAPH (B)(3)(a)(viii) OF THIS RULE IS 1983.

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Appr. JUN 23 1993  
State Rep. In 8H Date Eff. 10-1-93

~~TNS # 92-06 APPROVAL DATE 4-10-92~~  
~~SUPERSEDES~~  
~~TNS # 92-06 EFFECTIVE DATE 10-1-92~~



5101:3-3-172  
PAGE 12 OF 17

(e) THE INTERIM SETTLEMENT PER DIEM ALLOWANCE FOR RETURN ON NET EQUITY PAYABLE TO PROPRIETARY FACILITIES IN THE RATE YEAR SHALL BE COMPUTED AT THE RATE OF ONE AND ONE-HALF TIMES THE AVERAGE OF INTEREST RATES OF SPECIAL ISSUES OF PUBLIC DEBT OBLIGATIONS ISSUED TO THE FEDERAL HOSPITAL INSURANCE TRUST FUND FOR THE CURRENT COST REPORTING PERIOD.

(i) THE MAXIMUM NET EQUITY ALLOWANCE PAYABLE IS ONE DOLLAR PER DAY.

(ii) THE MAXIMUM SHALL BE REDUCED AS NECESSARY TO COMPLY WITH RULE 5101:3-3-18 ("CEILINGS ON LONG-TERM CARE FACILITY RATES") OF THE ADMINISTRATIVE CODE.

(C) FOR PURPOSE OF THE PROVISIONS CONTAINED IN PARAGRAPH (B) (3) (a) OF THIS RULE:

(1) "FACILITY" MEANS SEPARATE IDENTIFIABLE UNIT. THE CEILINGS APPLICABLE TO THE BEDS WITHIN AN ADDITION TO THE MAIN FACILITY ARE GOVERNED BY THE DATE OF CONSTRUCTION AND LICENSURE OF THAT ADDITION.

(2) THE "DATE OF LICENSURE" REFERS TO THE DATE THE FACILITY WAS ORIGINALLY LICENSED AS A NURSING HOME OR ORIGINALLY OPENED FOR OPERATION AS A NURSING HOME IF NOT LICENSED AND DOES NOT REFER TO THE DATE THE PRESENT OWNER OR OPERATOR OBTAINED LICENSURE.

(3) THE TERM "COST OF CONSTRUCTION" IS INTERPRETED FOR THE PURPOSES OF DETERMINING THE MAXIMUM ALLOWABLE RENT OR LEASE COSTS AS EITHER:

(a) THE TOTAL OF:

(i) THE ORIGINAL CONSTRUCTION COST OR THE CURRENT OWNER'S PURCHASE PRICE; AND

(ii) THE COSTS OF MAJOR RENOVATIONS IN EXCESS OF TEN THOUSAND DOLLARS.

(b) AN APPRAISAL PER THE PROVIDER REIMBURSEMENT MANUAL "HCFA PUBLICATION 15-1" GUIDELINES TO DETERMINE HISTORICAL COST IF ITEMS CONTAINED IN PARAGRAPH (C) (3) (a) OF THIS RULE CANNOT BE DETERMINED.

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date App. JUN 23 1993  
State Rep. In JH Date Eff. 10-1-93

~~TNS # 92-06 APPROVAL DATE 11-10-92~~  
~~SUPERSEDES~~  
~~TNS # 91-06 EFFECTIVE DATE 11-1-92~~

5101:3-3-172  
PAGE 13 OF 17

(D) PURSUANT TO PARAGRAPHS (A)(1)(a) AND (A)(2)(a) OF RULE 5101:3-3-17 ("METHODS FOR ESTABLISHING PAYMENT AND SETTLEMENT RATES") OF THE ADMINISTRATIVE CODE, THE INTERIM SETTLEMENT PER DIEM ALLOWANCES FOR FACILITIES WITH LOW MEDICAID UTILIZATION SHALL BE EQUAL TO THE LOWER OF PER DIEM COSTS OR APPLICABLE PER DIEM CEILINGS PURSUANT TO THIS PARAGRAPH. THE INTERIM SETTLEMENT PER DIEM ALLOWANCES SHALL BE THE FACILITY'S INTERIM SETTLEMENT TOTAL PER DIEM RATE. THE PER DIEM COST AND CEILINGS SHALL BE DETERMINED AS FOLLOWS:

- (1) FOR NURSING FACILITIES (NFS) WHERE THE NUMBER OF MEDICAID RESIDENTS DOES NOT EXCEED TEN OR TEN PER CENT OF THE TOTAL RESIDENTS IN THE FACILITY, THE INTERIM SETTLEMENT RATE WILL BE THE LOWER OF THE STATEWIDE AVERAGE REIMBURSEMENT RATE CALCULATED FOR LIKE FACILITIES FROM THE SAMPLE SELECTED UNDER DIVISION (D) OF SECTION 5111.27 OF THE REVISED CODE, OR THE RATE FOR NONMEDICAID INDIVIDUALS FOR THE SAME SERVICES DURING THE CORRESPONDING TIME PERIOD, WHICHEVER IS LESS.
- (2) FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED (ICFs-MR) WITH EIGHT BEDS OR LESS, THE PAYMENT RATE WILL BE THE STATEWIDE AVERAGE REIMBURSEMENT RATE CALCULATED FOR LIKE FACILITIES AS DEFINED IN THIS RULE OR THE RATE FOR NONMEDICAID INDIVIDUALS FOR THE SAME SERVICES DURING THE CORRESPONDING TIME PERIOD, WHICHEVER IS LESS. QUALIFICATION STANDARDS FOR ICF-MR REIMBURSEMENT RATES THAT EXCEED THE STATEWIDE AVERAGE ARE EXPLAINED IN PARAGRAPHS (D)(5)(b)(i) AND (D)(5)(b)(ii) OF THIS RULE.
- (3) CEILINGS APPLIED IN PARAGRAPHS (B)(1), (B)(2) AND (B)(3) OF THIS RULE DO NOT APPLY TO THE FOLLOWING LTCFS:
  - (a) NFS WHICH HAVE BEEN A MEDICAID PROVIDER FOR ONE YEAR OR MORE AND WHICH SERVE TEN OR LESS MEDICAID RESIDENTS AT ALL TIMES DURING THE COST REPORT YEAR; OR:
  - (b) NFS WHICH HAVE BEEN A MEDICAID PROVIDER FOR ONE YEAR OR MORE AND ON A COST REPORT YEAR BASIS MAINTAIN A RATIO OF MEDICAID RESIDENTS TO TOTAL RESIDENTS OF TEN PER CENT OR LESS.
  - (c) ICFS-MR WHICH ARE CERTIFIED FOR EIGHT BEDS OR LESS AT ALL TIMES DURING THE COST REPORT YEAR.

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Approved JUN 23 1993  
St- 8H 10-1-93

~~TNS # 92-06 APPROVAL DATE 6-92  
SUPERSEDES  
TNS # 92-06 EFFECTIVE DATE 10-1-92~~

- (4) LTCFS WHICH MEET THE CRITERIA IN PARAGRAPH (D)(3)(a), (D)(3)(b) OR (D)(3)(c) OF THIS RULE MUST FILE A COST REPORT ON AN ODHS 2524 INCLUDING ITS SUPPLEMENTS AND ATTACHMENTS DESIGNATED BY THE DEPARTMENT PURSUANT TO RULE 5101:3-3-26 ("LONG-TERM CARE FACILITY COST REPORT FILING, RECORD RETENTION, AND DISCLOSURE REQUIREMENTS") OF THE ADMINISTRATIVE CODE.
- (5) THE CEILING FOR DETERMINING INTERIM SETTLEMENT PER DIEM ALLOWANCE TO LOW MEDICAID FACILITIES ARE:
- (a) THE CEILING FOR NFS WITH LOW MEDICAID UTILIZATION IDENTIFIED IN PARAGRAPHS (D)(3)(a) AND (D)(3)(b) OF THIS RULE IS THE STATEWIDE AVERAGE REIMBURSEMENT RATE CALCULATED FOR ALL NURSING FACILITIES FROM THE SAMPLE SELECTED UNDER DIVISION (D) OF SECTION 5111.27 OF THE REVISED CODE FOR THE PRIOR COST REPORT YEAR UPDATED WITH INFLATION OR THE NF'S CHARGE TO NONMEDICAID INDIVIDUALS FOR THE SAME SERVICES DURING THE CORRESPONDING TIME PERIOD, WHICHEVER IS LESS.
- (b) THE FOLLOWING CEILINGS ARE ESTABLISHED FOR ICFs-MR WITH EIGHT BEDS OR LESS. THEY ARE BASED UPON THE STATEWIDE AVERAGE REIMBURSEMENT RATE CALCULATED FOR ICFs-MR FROM THE AUDIT SAMPLE SELECTED ACCORDING TO DIVISION (D) OF SECTION 5111.27 OF THE REVISED CODE. ALL PAYMENT RATES ARE LIMITED BY THE RATE PAID BY NONMEDICAID INDIVIDUALS FOR THE SAME SERVICES DURING THE CORRESPONDING TIME PERIOD, IF SUCH RATE IS LOWER.
- (i) LEVEL "A" IS ESTABLISHED AT ONE HUNDRED THIRTY PER CENT OF THE STATEWIDE AVERAGE ICF-MR REIMBURSEMENT RATE. THIS CEILING AS ILLUSTRATED IN THE RATE TABLE APPLIES IN THE FOLLOWING CIRCUMSTANCES:
- (a) IN FACILITIES WITH FIVE OR MORE RESIDNETS WHO MEET OR EXCEED CRITERIA SPECIFIED IN PARAGRAPH (D)(5)(b)(ii) OF THIS RULE WHERE AT LEAST THREE RESIDENTS REQUIRE TWENTY-FOUR-HOUR SUPERVISION.
- (b) IN FACILITIES WITH THREE OR FOUR RESIDENTS WHO MEET OR EXCEED CRITERIA SPECIFIED IN PARAGRAPH (D)(5)(b)(ii) OF THIS RULE WHERE AT LEAST TWO RESIDENTS REQUIRE TWENTY-FOUR-HOUR SUPERVISION.

HCFA-179 # 93-05 Date Rec'd 3-25-93  
Supersedes 92-06 Date Appr. JUN 23 1993  
State Rep. In 84 Date Eff. 10-1-93

~~TNS # 92-06 APPROVAL DATE 11-18-92  
SUPERSEDES  
TNS # 91-11 EFFECTIVE DATE 10-1-92~~